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|--|---------------|------------------------------|---|--|-----------------|
| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT | | | 1. CONTRACT ID CODE | PAGE 1 OF 1 | PAGES 10 |
| 2. AMENDMENT/MODIFICATION NO. 001 | | 3. EFFECTIVE DATE 3/19/01 | 4. REQUISITION/PURCHASE REQUEST NO. | 5. PROJECT NO. (If applicable) | |
| 6. ISSUED BY U.S. Dept. of HUD Ofc of the Chief Procurement Officer Phila. Contracting Operations Wanamaker Bldg., 100 Penn Square East Philadelphia, PA 19107-3380 | | 3. EFFECTIVE DATE (LH) | 7. ADMINISTERED BY (If other than Item 6) (Same as block 6.) | | |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and ZIP Code) | | | (√) | 9A. AMENDMENT OF SOLICITATION NO. R-PHI-00848 | |
| | | | X | 9B. DATED (SEE ITEM 11) 2/28/01 | |
| | | | | 10A. MODIFICATION OF CONTRACT/ORDER NO. | |
| CODE | FACILITY CODE | | | 10B. DATED (SEE ITEM 13) | |
| 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS | | | | | |
| X The numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers | | | | | is extended |
| | | | | X | is not extended |
| Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning 3 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or, (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If, by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified. | | | | | |
| 12. ACCOUNTING AND APPROPRIATION DATA (If required) | | | | | |

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS,
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

| | |
|-----|--|
| (√) | A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. |
| | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) AS SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103.(b) |
| | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: |
| | D. OTHER (Specify type of modification and authority) |

IMPORTANT: Contractor ☐ is not ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Amendment #001 to solicitation R-PHI-00848 is issued to delete Attachments 3, 4, 5 and 10 from Section J of the solicitation and replace them with the attached revised versions of these attachments.

Questions received in response to the solicitation were answered at the pre-proposal conference held on Wednesday, March 14, 2001. Attached are the questions and answers covered during the conference. Program staff provided a brief overview of the insurance endorsement process, incentives and disincentives and HUD's quality assurance process. Since this information is already outlined in the statement of work, there are no "minutes" of the conference.

Date and time set for the receipt of proposals remains the same.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

| | | | |
|---|--|--|--|
| 15A. NAME AND TITLE OF SIGNER (Type or print) | | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) | |
| 15B. CONTRACTOR/OFFEROR | | 16B. UNITED STATES OF AMERICA | |
| _____ (Signature of person authorized to sign) | | BY _____ (Signature of Contracting Officer) | |
| 15C. DATE SIGNED | | DATE SIGNED | |

ATTACHMENT 3

(PURCHASE)

| | | | |
|--|---------------------------|--------------------------------|------------------------|
| F17EOC | C H U M S | | Proc ID: ZC00 |
| | 9100 - AUXILIARY SCREEN | | Date: 11/12/99 |
| | FHA Case No: 052-999999-9 | | |
| ADP Code: 703 | | HUD-92900-WS present (Y/N) Y | |
| Address : 668 Silver Rd | | | |
| HIGHLANDS RANCH CO 800000000 | | | |
| Purpose of Loan: 6 | Borrower Type: 1 | Age | Total # of Dependents |
| Borrower: Doe, John E. | | 28 | Marital Status (A,B,C) |
| Co-borrower: Doe, Jane A. | | 28 | A |
| Borrower self employed: N | | Years at current job: | 6 |
| Total closing costs: (5a) 1971.00 | | Appraised value:(4) | 154445.00 |
| Current housing expenses: (6) 1074.00 | | Borrower's closing costs: (5c) | 119.00 |
| Sale price: (10a) 60000.00 | | Unpaid principal balance: | .00 |
| Required investment: (12a) + 8406.00 | | Mortgage basis: (11c) | 60119.00 |
| Assets available: (12g,h,i) 10590.00 | | Total requirements: (12g) + | 8525.00 |
| Total fixed payment: (15j) 4140.00 | | Total mortgage payment:(15h) | 3568.00 |
| Underwriter ID: 5555 Bell, JOE (19) | | Gift letter amount (12i.) | |
| Underwriter case approval date: 6/ 5/99 (19) | | Gift letter source: (12i.) | ___ |
| Enter: C - Change ___ E - Form 9100 | | | |
| 1, 2, 5, 9 ___ | | | |

SOURCE DOCUMENTS KEY

92800.5B CONDITIONAL COMMITMENT

92900-PUR

NOTE: LINE ITEM FOR DATA ON 92900-PUR IS IN PARENTHESIS.

CONTRACTOR WOULD BE REQUIRED TO MAKE THE APPROPRIATE CHANGES.

SOURCE DOCUMENTS KEY

92800-5B CONDITIONAL COMMITMENT: APPRAISED VALUE.

92900-PUR: SALES PRICE & UNDERWRITER ID

ATTACHMENT 4
(REFINANCES ONLY)

| | | | | | |
|--|------------------|---------------------------------------|-----------------------|------------------------|--|
| F17EOC | | C H U M S | | Proc ID: ZC00 | |
| | | 9100 - AUXILIARY SCREEN | | Date: 11/12/99 | |
| | | FHA Case No: 052-999999-9 | | | |
| ADP Code: 703 | | HUD-92900-WS present (Y/N) Y | | | |
| Address : 668 Silver Rd | | | | | |
| HIGHLANDS RANCH CO 800000000 | | | | | |
| Purpose of Loan: 6 | Borrower Type: 1 | Age | Total # of Dependents | Marital Status (A,B,C) | |
| Borrower: Doe, John E. | | 28 | | A | |
| Coborrower: Doe, Jane A. | | 28 | | | |
| Borrower self employed: N | | Years at current job: | | 6 | |
| Total closing costs: (5a) 1971.00 | | Appraised value: (4) | | 154445.00 | |
| Current housing expenses: (6) 1074.00 | | Borrower's closing costs: (5c) | | 119.00 | |
| Sale price: | | Unpaid principal balance: (10a) | | 60000.00 | |
| Required investment: (10h) + 8406.00 | | Mortgage basis: (10e) | | 60119.00 | |
| Assets available: (10p) 10590.00 | | Total requirements: (10m) + | | 8525.00 | |
| Total fixed payment: (13j) 4140.00 | | Total mortgage payment: (13h) | | 3568.00 | |
| Underwriter ID: 5555 Bell, JOE (19) | | Gift letter amount(bottom rt. corner) | | .00 | |
| Underwriter case approval date: 6/ 5/99 (19) | | Gift letter source: | | | |
| Enter: C - Change _____ E - Form 9100 | | | | | |
| 1, 2, 5, 9 ____ | | | | | |

SOURCE DOCUMENTS KEY

92800.5B CONDITIONAL COMMITMENT
92900-WS

NOTE: LINE ITEM FOR DATA ON 92900-WS IS IN PARENTHESIS.
CONTRACTOR WOULD BE REQUIRED TO MAKE THE APPROPRIATE CHANGES.

SOURCE DOCUMENTS KEY

92800-5B CONDITIONAL COMMITMENT: APPRAISED VALUE.

92900-WS: UNPAID PRINCIPAL BALANCE & UNDERWRITER ID

ATTACHMENT 5

| | | | |
|--|-------------------------------|----------------------------|--|
| F17EBT | C H U M S | | Proc ID: ZC00 |
| MORTGAGE INSURANCE CERTIFICATE (9100) | | Date: 11/19/99 | |
| FHA Case No: 052-999999-9 | | | |
| ADP Code 703 Program ID 00 LTV 91.68 Solar N Loan Purpose 6 Borrower Type 1 | | | |
| Repair: Escrow Y/N N Complete / Amount .00 Gross Mthly Inc 5083 | | | |
| Borrower | Doe, John E. | SSN 999-99-9999 | Race 1 Sex 2 |
| Coborrower | Doe, Jane A. | SSN 999-99-9999 | Race 1 Sex 1 |
| Coborrower | | SSN 999-99-9999 | Exempt from SSN N |
| Rent Y No. Yrs 0 | 1st Time Homebuyer Y | Counsel type A | Vet Pref N EEM Y |
| ID | | | |
| Address: 668 Silver Rd | Lot | Blk/Plat | County |
| HIGHLANDS RANCH CO 800000000 | | | 035 |
| Orig 0987654321 Sponsor/Agent 1234567890 Issue MIC in Spn Name N Mail to Spn N | | | |
| Mortgage Amount 144786 | | Interest Rate 7.500 | Monthly Payment (P&I) 1012.37 |
| Maturity Date 6/28 | Duration in Months 360 | Warranty _____ | |
| Amortization _____ | First Payment 7/98 | Current Payments Y/N Y | |
| Construction Type 1 | Living Units 1 | MIP Financed Y/N Y | |
| CLOSING 6/5/99 Review Y/N N Endorse Y/N Y Endorse Date 11/19/99 By ZC00 | | | |
| Appr ID TX-1111111-R | | | |
| WOOD, Appraiser T. | | | |
| Enter: C-Change _ X-Do Not Process H-Rating I-9100 Auxiliary Screen R-NOR | | | |
| P-Print S-Spool 1, 2, 5, 9 _ 1-Continue Next Case 052-_____- _ | | | |

SOURCE DOCUMENTS KEY

NOTE **URLA** **92900A** **HUD-1 (USE SETTLEMENT DATE)** **Appraisal**

LENDER CERTIFICATION

A= NO COUNSELING
B= LENDER COUNSELING
C= OUTSIDE COUNSELING

SOURCE DOCUMENTS KEY

NOTE: FHA CASE NUMBER, ADP CODE, BORROWER/COBORROWER, PROPERTY ADDRESS, MORTGAGE AMOUNT, INTEREST RATE, MONTHLY PAYMENT, MATURITY DATE, DURATION IN MONTHS, FIRST PAYMENT.

URLA: SOCIAL SECURITY NUMBER

92900-A: ORIGINATOR AND SPONSOR

HUD-1: CLOSING DATE.

APPRAISAL: Appr ID

LENDER CERTIFICATION OF COMPLETION: FTHB COUNSELING TYPE.

PRE-ENDORSEMENT REVIEW CHECKLIST

(Non-HECM files)

CASE NUMBER: _____ REVIEWED BY: _____

RIGHT SIDE OF BINDER:

- A R **AUTOMATED UNDERWRITING FEEDBACK CERTIFICATION**
- A R **FIRST-TIME HOME BUYER COUNSELING CERTIFICATE** (Hawaiian Homeland Loans only)
- A R **LATE SUBMISSION LETTER/PAYMENT HISTORY** (Per Chapter 3 of HUD Handbook 4165.1 REV 2)
- A R **MORTGAGE CREDIT ANALYSIS WORKSHEET (HUD 92900.WS OR HUD 92900-PUR)**
 - Signed & dated by DE Underwriter and reflects U/W ID#
 - AUS loans should reflect the system used and appropriate ID #. A DE Underwriter DOES NOT need to sign.
 - IF APPLICABLE: 203K Worksheet (HUD 92700), EEM worksheet, 203h documentation
- A R **NOTE (Include Note for Secondary Mortgage when applicable):**
 - Certified true copy
 - Contains all 9 paragraphs of model note
 - Signed/conformed/executed
 - Mortgage amount is not higher than approved (92900-Ws or PUR #3c & page 3 of HUD 92900-A)
 - Term of mortgage is the same as approved (92900-Ws or PUR #7) Maximum term is 360 months
 - Property Address same as on URAR and reflects correct FHA Case Number and ADP Code
 - Applicable Allonges/Agreements (796 Buydown, ARM Disclosure or 203K Rehabilitation Loan agreements, etc.)
- A R **SECURITY INSTRUMENT (Include Security Instrument for Secondary Mortgage when applicable):**
 - Certified true copy
 - Signed/conformed/executed
 - Paragraph 9 (Grounds for Acceleration)
 - Paragraph 18 (Foreclosure Procedures)
 - Property Address same as on URAR
 - Applicable Riders (PUD, CONDO, ARM, 203k, etc)
- A R **HUD-1 SETTLEMENT STATEMENT & ADDENDUM**
 - Signed by Borrower, Seller and Settlement Agent (**NOTE:** HUD, as the seller, does not sign on REO Sales)
 - Legible copies of pages 1 and 2
 - **NOTE:** Refinances may be a one page form & the Addendum is not required
- A R **UNIFORM RESIDENTIAL LOAN APPLICATION (URLA)** Signed and dated by all borrowers
- A R **ADDENDUM TO URLA (HUD 92900-A, PAGES 1, 2, 3 & 4)**
 - Completed, signed and dated by appropriate parties
 - Page 3 signed by DE Underwriter or identified as AUS with appropriate ID
- A R **IMPORTANT NOTICE TO HOMEBUYERS (HUD 92900-B)**
- A R **CREDIT REPORT(S)**
- A R **ASSET VERIFICATION--VOD** and/or bank statements
- A R **GIFT LETTER** (if gift is shown on Mortgage Credit Analysis Worksheet)
 - **NOTE:** AUS Accept: does not need a letter; gift may be noted on the application (URLA) in-lieu-of a gift letter
- A R **INCOME VERIFICATION--**May be any of the following: Written or Verbal VOE and paystub, Federal Tax Returns, Evidence of Pension/Retirement
- A R **EVIDENCE OF SOCIAL SECURITY NUMBER** (Copy of Social Security Card, paystub, W-2, etc.)

PRE-ENDORSEMENT REVIEW CHECKLIST

(Non-HECM files)

LEFT SIDE OF BINDER:

- A R **If applicable, MORTGAGEE ASSURANCE OF COMPLETION (HUD 92300)** Completed & Signed
- A R **COMPLIANCE INSPECTION REPORT (HUD 92051)** Countersigned by DE Underwriter. **OR EVIDENCE VC REQUIREMENTS ARE CLEARED:** Local government inspection with the Underwriter Certification may be accepted
- A R **WOOD DESTROYING INSECT INFESTATION REPORT**, Form NPCA-1 or State mandated infestation report (as applicable)
- A R **LOCAL HEALTH AUTHORITY'S APPROVAL** (when applicable) for individual water and sewer systems if applicable
- A R **NEW CONSTRUCTION EXHIBITS:**
- Builder's Certification (**HUD 92541**): Completed & Signed
 - Builder's One Year Warranty (**HUD 92544**)
 - As applicable: An early start letter, Evidence of a 10 year warranty, 3 inspections completed by local authority or FHA Fee Inspector (footings, frame & final)
 - (NOTE: Manufactured Homes require only 2 inspections in lieu-of 10 year warranty)
 - Subterranean Termite Treatment Report - NPCA-99a and NPCA-99b
- A R **STATEMENT OF APPRAISED VALUE (HUD 92800.5B)**
- A R **ENGINEER'S CERTIFICATE FOR MANUFACTURED HOUSING FOUNDATION**
- A R **COMPREHENSIVE VALUATION PACKAGE (CVP):** Completed/signed/dated by appropriate properties
- Original Uniform Residential Appraisal Report (URAR) and complete appraisal package ++
 - HUD 92564-HS (Homebuyer Summary)**/++
 - HUD-92564-VC Valuation Condition Sheet**/++ Evidence VC's are cleared (may be HUD 92051 or cleared separately)
 - **If MAR/MCC documentation:** HUD-91322 and HUD-91322.3, including all attachments and amendments
 - **If VACRV/MCRV documentation:** VA-26-1841 or VA-26-1843a, including all attachments and endorsements
- A R **SPECIALIZED ELIGIBILITY DOCUMENTS (SUCH AS, BUT NOT LIMITED TO):**
- 203(k): Rehabilitation Agreement, Plans, Work Write-ups, Cost Estimates, Initial Draw Request
 - Form HUD-92561—Borrower's Contract with Respect to Hotel and Transient Use of Property (2-4 units)
 - Condominiums—Occupancy Certification regarding 51% owner occupancy (if not included on VC). Spot Condo documentation (if spot approval)
- A R **PURCHASE CONTRACT AND ADDENDA (not required on refinances)**
- Signed by all buyers and sellers
 - Amendatory Clause signed by buyers and sellers (not required on REO Sales or 203k loans)
 - Real Estate Certification signed by buyers, sellers, and selling real estate agent or broker (if not contained within purchase agreement)
- A R **HUD-92564-CN** (For Your Protection:..)**/++

**THIS ITEM IS NOT REQUIRED FOR PROPOSED/UNDER CONSTRUCTION PROPERTIES
++THIS ITEM IS NOT REQUIRED FOR MAR/MCC, OR VACRV/VAMCRV LOANS

QUESTIONS & ANSWERS -- SOLICITATION R-PHI-00848
Insurance Endorsement Processing Services

- Will a copy of the pre-"bid" minutes be made available?

RESPONSE: The questions submitted and the answers provided during the pre-proposal conference will be issued under Amendment #001 and will be posted on HUD's web site.

- Is there an incumbent? How many branches/contractors are currently performing this work, what are their names, how many FTE per contractor, and what is the HOC currently paying them per file?

RESPONSE: Current contractor is Montgomery LC, Inc. and they have a contract for both areas. Information concerning the contractor's employees is not releasable. The unit price per case under the current contract year is \$2.76 for both areas. (NOTE: There are differences between the existing contract and the new statement of work.)

- Is the current contractor eligible to "bid" on this RFP?

RESPONSE: The incumbent contractor is eligible to submit a proposal under the RFP.

- What is the anticipated award period and what is the expected start date of the new contract?

RESPONSE: Current contract expires 5/31/01. New contract may become effective 6/1/01.

- Is there any estimate of the approximate size of this contract?

RESPONSE: Question is unclear. Estimated quantities of 200,000 per area are provided in the RFP.

- Hiring of Key Personnel, specifically Project Manager(s), before award would add unnecessary costs.

RESPONSE: Proposal can include "proposed" Key Personnel with resumes documenting related experience. At time of award, if the proposed person is not available, contractor would have to have a "replacement" that would have to have equal experience or better as that proposed.

- Page 3 of the RFP "Notes" states: "You may submit a proposal on either one or both areas." Does this mean we must do two separate Part I Technical and Management proposals and two separate Part II Business Proposals? Or, can we just reference per branch in the sections as our indication that we are bidding on both areas indicated on pages 2 and 3.

RESPONSE: Only one proposal should be submitted. If offering on both areas, Part I Technical Proposal must address how each Area will be covered (e.g. Key Personnel for each area; how quantities for each area will be managed, etc.). Only one Part II Business Proposal should be submitted with the prices offered for each area reflected in the appropriate blocks.

- [B.5. - Pages 2 & 3; I.3. - Page 14] The estimated quantity per area reflects 200,000 cases per year. However, on page 14 of the RFP there is a maximum order indication of 301,600 cases per year (1,160 cases per day or 5,800 cases per week). Upon review of the Philadelphia CHUMS report however, the average number of cases endorsed per year for the past four years is only 299,633 with the highest year reflecting 388,048 per year (average 149,816 cases per area per year or a high of 192,024 cases per area per year).

Using the CHUMS data as a guide it would appear that the maximum would be closer to 150,000 to 200,000 cases per area per year, not the 301,600 cases per area per year stated on page 14. The difference could cause a contractor to over-estimate or under-estimate the number of FTE required thus impacting the total costs. Could someone provide clarification?

RESPONSE: Estimated Quantities and Order Limitations are two different things. The first is an estimate of the maximum number of cases to be assigned during the contract year. This estimate does not guarantee that 200,000 cases will be assigned (per area) during the contract period but it does serve as the maximum limit. The exact number of cases that will be ordered under the contract period cannot be projected due to the nature of the work and the various conditions that may affect the workload.

The Order Limitations clause states that the Philadelphia HOC can assign up to 1,160 cases per day (per area) to the contractor when the workload is high. This does not mean that 1,160 cases will be assigned on a daily basis during the entire contract period. Workload will fluctuate during the contract period.

- [B.6. - Page 3] Workload Capacity refers to quantity requirements; however, there is no reference regarding quality or the Acceptable Performance Level (APL) which is referenced later in the RFP. Does this mean that quantity/cost will be the first deciding factor? If quality is part of the deciding factors, shouldn't it be referenced in this section to eliminate any misinterpretations?

RESPONSE: The Workload Capacity is the area where the contractor states the number of insurance endorsement cases that he/she is "capable" of processing during a weekly period. This information will be considered as part of the technical evaluation process to determine whether or not the offeror has the capability to handle the workload for the Area(s) proposed on.

Performance standards are outlined throughout the statement of work and the contractor will be held to those standards for every case assigned under the contract.

As stated in Section M.5. of the RFP, it has been determined that evaluation of the technical proposal is considered significantly more important than cost/price. Included in the technical proposal evaluation process is the offeror's past experience, ability to handle the volume of work proposed in the RFP, and the offeror's past performance. Although cost is an important factor in the final overall evaluation of a proposal, the technical rating is considered significantly more important. If the proposal and the stated Workload Capacity do not document that the offeror has the ability to satisfactorily perform the duties outlined in the RFP, the technical proposal rating would be affected.

- Request for the total number of cases "processed" (including NOR's, MIC's, cases processed by HUD staff, cases processed by contractor(s), etc.) for Insurance Endorsement for the past 4 fiscal years and year to date, with a monthly breakdown.

RESPONSE: The total cases processed for the last fiscal year (FY 2000) was 272,608. The total cases processed year to date (FY 2001) is 118,588. Previous fiscal year information is not readily available.

- What was the number of cases endorsed per area in FY 2000?

RESPONSE: The number of cases endorsed in FY 2000 was 260,742. The number endorsed per area is approximately the same.

- What is the current turn-around time for endorsement processing? **RESPONSE:** 2 days

- Of the "280,834" files endorsed in FY 2000, how many were processed by the current contractor(s)?

RESPONSE: Approximately 98% of the 260,742 endorsed cases were processed by the current contractor.

- How many files were NOR'd in FY 2000?

RESPONSE: 11,868

- What is the current YTD cases endorsed per Area?

RESPONSE: 113,422 cases have been endorsed as of February 28, 2001, for FY 2001. The number of cases per area is approximately the same.

- What is the current YTD NOR cases per Area?

RESPONSE: There have been 4,730 cases NOR'd as of February 28, 2001, for FY 2001. The number of cases per area is approximately the same.

- When the Mortgagee Letter is released regarding the required stacking order will the contractor be required to NOR the case for the stacking order only? Will a complete review be required on these types of submitted binders before issuing the NOR for the stacking order?

RESPONSE: No, the contractor will be required to review the case file in its entirety to determine all reasons for rejection as stated in C.3. (f) of the solicitation.

- [C.2. (f) - Page 6] We do not see a reference to training of the contractor by HUD, and/or contractor training of their employees indicated on page 6 as stated in previous Insurance Endorsement contracts with Denver and Atlanta HOCs. Was this an intentional omission or have we overlooked where the requirement is stated?

RESPONSE: The contractor must attend a training session at the commencement of the contract (not to exceed 8 hours), given by the PA State HOC on CHUMS and other pertinent program requirements. The 8 hours of training is the only training the PA HOC will give the contractor under the contract. The contractor will be responsible for training all future employees/subcontractors on all pertinent information necessary to perform this work after the 8 hour maximum has been achieved. In the event that the contractor is unable to acquire the necessary skill to perform the tasks set out in the maximum of 8 hours training, the contract may be terminated. HUD will not reimburse the contractor for training.

- Is it the Philadelphia HOC's intention to use the same Insurance Endorsement checksheet as the Denver and Atlanta HOC's?

RESPONSE: The checklist included as Attachment 10 is the version that the Philadelphia HOC requires to be used under the pending contract.

- Are the current contractors using the checklist included in the RFP? If yes, how long have they been using it?

RESPONSE: No

- Will contractor be allowed access to CHUMS to obtain necessary production reports to aid in the management of their staff? [Or will HUD provide such reports?]

RESPONSE: No, but HUD will provide reports to assist management.

- [C.3. (e) & (f) - Page 7] First and second paragraphs indicate that the contractor will mail the MICs and the NORs. This is different than the other like contracts at the Denver and Atlanta HOCs. Please define "mail" responsibilities -- what does this include? Is the contractor required to stuff the envelopes? Is the contractor required to address the larger envelopes and boxes? Etc. Or was the intent of these statements that the contractor shall have the required docs to the mail room contractors for this type of processing?

RESPONSE: Mail responsibilities include stuffing envelopes, addressing larger envelopes and boxes, etc. The only function they are not responsible for is postage.

- [C.3. (h) - Page 7] Since the lenders do not include a 2nd copy of the first note and deed in the HECM file and your HOC specifications require a copy of these items in the supplemental binder approximately how many pages of copying would be required for each HECM file? How many HECM files are you currently doing?

RESPONSE: There are approximately 20 to 30 pages needed to be copied on each HECM file. We are currently processing between 250 to 300 HECM cases monthly.

- [C.3. (e) - Page 7] If there is no second copy of the appraisal in the file is this a NOR? Or is the contractor expected to copy the entire CVP package?

RESPONSE: Yes, it is a NOR if there is no second copy of the appraisal in the file. However, the contractor is expected to copy the missing documents from the 2nd copy of the CVP if the computer screen warning is "AQA required; retain appraisal copy.- see C.3.(e)

- [C.3. (e) & (h) - Page 7] In view of the large amount of copying for the above two items, does the Philadelphia HOC have adequate copying facilities to accommodate the steady use of one copier by the contractor?

RESPONSE: Yes, there are adequate copying facilities available.